यूनाइटेड अजोड इन्स्योरेन्स लिमिटेड
United Ajod Insurance Limited

केन्द्रिय कार्यालय: सिटिसि मल सुन्धारा, काठमाडौं
सम्पर्क नं.: ०१-५३३३७४३, ०१-५३४४०९३, ०१-५३४४०१३, ०१-५३३३७४३
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Quarterly Financial Results For Fourth Quarter, F.Y. 2081/82 B.S

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Fig in NPR.

Particulars	Unaudited	Audited
	At the end of this Quarter	At the end of Immediate Previous Year
Assets:		
Goodwill & Intangible Assets	175,991,473	176,492,162
Property and Equipment	157,722,838	165,744,747
Investment Properties	-	-
Deferred Tax Assets	-	-
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	4,265,726,503	4,443,155,229
Loans	769,506	3,854,418
Reinsurance Assets	1,016,213,149	1,463,720,894
Current Tax Assets	90,070,018	71,276,452
Insurance Receivables	910,746,815	628,245,157
Other Assets	184,306,337	214,280,723
Other Financial Assets	214,500,730	176,672,599
Cash and Cash Equivalent	325,872,009	309,658,986
Total Assets	**7,341,919,378**	**7,653,101,368**
Equity:		
Share Capital	2,310,000,000	2,100,000,000
Share Application Money Pending Allotment	-	-
Share Premium	-	-
Special Reserves	1,021,141,700	912,925,279
Catastrophe Reserves	45,151,294	39,740,473
Retained Earnings	100,641,272	94,178,606
Other Equity	606,124,378	707,858,286
Total Equity	**4,083,058,644**	**3,854,702,643**
Liabilities:		
Provisions	60,415,265	91,635,294
Gross Insurance Contract Liabilities	2,020,201,668	2,632,177,160
Deferred Tax Liabilities	1,050,484	1,050,484
Insurance Payable	680,104,892	616,366,298
Current Tax Liabilities	-	-
Borrowings	-	-
Other Liabilities	170,812,255	120,071,732
Other Financial Liabilities	326,276,170	337,097,758
Total Liabilities	**3,258,860,734**	**3,798,398,725**
Total Equity and Liabilities	**7,341,919,378**	**7,653,101,368**

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Fig. in NPR

Particulars	Current Year		Corresponding Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Income:				
Gross Earned Premiums	1,036,799,707	2,829,171,034	845,958,281	2,947,289,480
Premiums Ceded	(582,193,389)	(1,654,133,212)	(421,147,518)	(1,852,135,300)
Net Earned Premiums	**454,606,318**	**1,175,037,822**	**424,810,764**	**1,095,154,180**
Commission Income	132,118,320	333,104,755	132,265,372	391,389,267
Other Direct Income	4,793,322	15,225,633	6,161,722	20,234,234
Income from Investments and Loans	45,287,789	221,488,015	73,125,117	321,364,944
Net Gain/(Loss) on Fair Value Changes	-	-	-	-
Net Realised Gains/(Losses)	-	-	-	-
Other Income	-	-	-	3,889,197
Total Income	**636,805,749**	**1,744,856,225**	**636,362,975**	**1,832,031,822**
Expenses:				
Gross Claims Paid	644,198,950	1,905,850,966	366,241,044	1,549,976,877
Claims Ceded	(370,827,864)	(1,110,756,882)	(150,871,227)	(891,331,405)
Gross Change in Contract Liabilities	(698,626,756)	(417,183,160)	(29,091,657)	(387,637,663)
Change in Contract Liabities Ceded to Reinsurers	606,035,081	298,373,534		450,372,518
Net Claims Incurred	**180,779,411**	**676,284,458**	**186,278,160**	**721,380,327**
Commission Expenses	23,729,057	54,935,302	23,679,545	76,209,429
Service Fees	2,599,725	8,470,348	2,449,944	8,498,313
Other Direct expenses	140,228	1,175,789	1,183,864	1,404,048
Employee Benefits Expenses	138,715,348	419,067,360	122,671,791	394,374,753
Depreciation and Amortization Expenses	40,085,601	56,487,978	47,084,389	55,488,859
Impairment Losses	51,681,780	51,681,780	35,794,953	41,345,424
Other Operating Expenses	22,983,059	134,772,554	44,324,650	118,206,434
Finance Cost	13,581,358	13,581,358	-	10,910,600
Total Expenses	**474,295,567**	**1,416,456,927**	**463,467,296**	**1,427,818,187**
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	**162,510,182**	**328,399,298**	**172,895,679**	**404,213,635**
Share of Net Profit of Associates accounted using Equity Method				
Profit Before Tax	**162,510,182**	**328,399,298**	**172,895,679**	**404,213,635**
Income Tax Expenses	62,199,722	111,966,457	61,834,763	155,810,185
Net Profit/(Loss) For The Year	**100,310,460**	**216,432,841**	**111,060,916**	**248,403,449**
Earning Per Share				
Basic EPS		9.37		11.83
Diluted EPS		9.37		11.83

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

Fig. in NPR

Particulars	Current Year		Corresponding Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Net Profit/(Loss) For The Year	100,310,460	216,432,841	111,060,916	248,403,449
Other Comprehensive Income	27,521,079	12,370,259	(248,822,924)	35,897,910
Total Comprehensive Income	**127,831,539**	**228,803,100**	**(137,762,008)**	**284,301,359**

OTHER DETAILS

Fig. in NPR

Particulars	Current Year	Previous Year
	Upto this Quarter (YTD)	Upto this Quarter (YTD)
1. Total Issued Policy Count	299,289	200,125
2. Total Renewed Policy Count	51,537	38,034
3. Total Claims Paid Count	8,125	9,168
4. Outstanding claims count	9,615	10,095
5. Gross outstanding claims includling IBNR & IBNER (Amount)	819,976,412	1,237,159,573
6. Net outstanding claims includling IBNR & IBNER (Amount)	353,498,762	472,308,388
7. Margin over best estimate (MOBE)	64,656,123	64,656,123
8. Unearned premium reserve (Amount)	564,689,851	1,320,183,965
9. Unexpired risk reserve (Amount)	564,689,851	1,320,183,965
10. Earthquake premium reserve (Amount)	10,177,500	10,177,500
11. Long Term Investments (Amount)	1,217,116,503	581,323,215
12. Short Term Investments (Amount)	3,048,610,000	3,773,439,725
13. Direct premium (Amount)	2,744,074,372	2,622,426,076
14. Investment in cost (Amount)	3,822,010,493	4,017,111,019
15. Solvency margin ratio (as per valuation report of actuary for FY 80/81)	2.73	2.73

Notes to financial statements

1) The above financial statement has been prepared as per the NFRS and directives issued by Nepal Insurance Authority.
2) The above figures are unaudited figures and may change after statutory audit.
3) The figures of previous quarter has been reinstated as per the requirements.
4) The figures have been rearranged and regrouped whenever necessary.
5) The provision for gratuity and leave has been adjusted as per management assumption based on past year experience.

Disclosure as per Section 84(3) of Insurance Act, 2079

1. The solvency margin ratio of company stands 2.73 times as per the valuation report of actuary for FY 80/81.
2. The company has made adequate reinsurance arrangement to cover and minimize risk for each class of business.
3. Details regarding legal proceeding: No any such legal case against the company.
4. The company has complied with corporate governance directive issued by Nepal Insurance Authority.
5. The company has complied with all other applicable law and directive issued by regulatory bodies.

Disclosure as per Securities Registration and Issuance Regulation 2073 (Related to Sub rule (1) of Rule 26)

1. Financial Statements

a. The unaudited financial statements for the Fourth quarter of FY 2081/82 and financial ratios have been published along with this report.

b. Major financial highlights and analysis

Key Financial Ratios	This Quarter End (Ashar, 2082)
Earnings per share (EPS)	9.37
Price Earnings Ratio	61.00
Net worth Per Share	176.76
Total Assets Per Share	317.83

2. Management Analysis

a) The company has collected NPR. 2,783.51 million gross premium and has earned NRP. 216.43 million net profit upto the fourth quarter end.

b) The company has not experienced any incidents and situations during the period that might affect the revenue, profits and cash flow of the company.

3. Legal Proceedings

There has been no any pending litigations and dispute by and against the company during the said period. There have been no any known dispute, litigations, offences and breach of applicable laws by and against the promoters and directors of the company.

4. Analysis on share Transaction of the Company

The company remains committed towards providing the notices and information to investors and shareholders. The major highlights of share transaction during the quarter are as follows:-

Maximum share price (NPR)	659	Minimum share price(NPR)	560
Closing share price (32nd Ashar, 2082)	571.56	Total No. of shares traded	1,080,229
Total No. of transaction days	63	Total No. of transactions	8,531

5. Problem and Challenges

Problem:

- Increase in cost of operation due to inflation
- Limited investment opportunities
- Falling interest rate on bank deposit
- Short supply of qualified and skilled human resources
- Intense competition in insurance industry
- Outlook of reinsurance market towards Nepalese insurance market

6. Management Strategy:

- Effective and efficient service to client
- Staff training and development program
- Explore new investment opportunities
- Investment in IT to further develop digital insurance
- Explore favorable reinsurance market
- Efficiency in operations to reduce operation cost

7. Corporate Governance

The Board of Directors, Audit Committee, Senior Management & Compliance Officer are committed to prevail corporate good governance practices in the company.

8. Declaration

I, Chief Executive Officer of this Company, take the responsibility of accuracy of the information and details mentioned in this report for the period up to fourth quarter of FY 2081/82, hereby declare that the information and details provided in this report are true, based on facts, and complete to the best of my knowledge and that the information necessary for taking informed decision by the investors are not concealed.